



# PANHANDLE

BENEWAH, BONNER, BOUNDARY, KOOTENAI, & SHOSHONE COUNTIES

## EMPLOYMENT TRENDS

The Panhandle's seasonally adjusted unemployment rate edged up from 6.7 percent in September to 6.8 percent in October. Construction and tourism activities soared to all-time highs this summer, so when those industry sectors began shedding jobs as they normally do in the fall, more people became unemployed than in the past. So, ironically, the increase in unemployment was largely due to the economy's strength. That strength resulted in the unemployment rate's decrease from 7.4 percent in October 2003 to 6.8 percent a year later, and in 5,740 Panhandle residents finding employment during the 12-month period of October 2003 to October 2004. Many communities in the U.S. would be extremely envious of the Panhandle's success. While *Total Employment* increased 1.2 percent in the United States during that 12-month period, it increased 6.7 percent in the Panhandle. No major industrial sector lost jobs in the Panhandle during that period, as shown in Table 1.

## AREA DEVELOPMENTS

### Benewah County

- Daisy's Gift Shop recently opened at 913 South Main Avenue in St. Maries. Owned by James and Sylvia Smallwood, the shop sells greeting cards, seasonal items, furniture, DVDs, videos, and a wide variety of gift items. It also will serve as an eBay outlet, helping local residents sell items on eBay.
- Lawrence and Jackie Duffy have turned their hobbies into a business. They recently opened Northwest Rustic Pine Creations at 35 South Fern in Fernwood, a village 17 miles south of St. Maries. The gift store features gifts hand-crafted by the couple and others, including decorative birdhouses, wreaths, wall hangings, baby quilts, afghans, and hand-painted signs.

### Bonner County

- When the Bonner County Economic Development Corporation (BCEDC) hosted its annual open house November 11, it recognized Sandpoint-based Unicep Packaging as Bonner County's Business of the year. Unicep Packag-

Panhandle Table 1: Labor Force & Employment

	Oct 2004*	Sep 2004	Oct 2003	% Change From	
				Last Month	Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>					
<b>Seasonally Adjusted</b>					
Civilian Labor Force	97,710	97,880	92,180	-0.2	6.0
Unemployed	6,610	6,540	6,820	1.1	-3.1
% of Labor Force Unemployed	6.8	6.7	7.4		
Total Employment	91,100	91,340	85,360	-0.3	6.7
<b>Unadjusted</b>					
Civilian Labor Force	96,620	98,020	91,000	-1.4	6.2
Unemployed	5,200	4,760	5,310	9.2	-2.1
% of Labor Force Unemployed	5.4	4.9	5.8		
Total Employment	91,420	93,260	85,690	-2.0	6.7
<b>JOBS BY PLACE OF WORK</b>					
<b>Nonfarm Payroll Jobs** - NAICS</b>	74,820	75,730	71,630	-1.2	4.5
<b>Goods-Producing Industries</b>	15,330	15,480	14,380	-1.0	6.6
Natural Resources & Mining	1,680	1,690	1,540	-0.6	9.1
Construction	6,320	6,500	5,700	-2.8	10.9
Manufacturing	7,330	7,290	7,140	0.5	2.7
Wood Product Manufacturing	2,800	2,790	2,760	0.4	1.4
Other Manufacturing	4,530	4,500	4,380	0.7	3.4
<b>Service-Providing Industries</b>	59,490	60,250	57,250	-1.3	3.9
Trade, Transportation, & Utilities	14,260	14,220	13,730	0.3	3.9
Wholesale Trade	1,520	1,530	1,380	-0.7	10.1
Retail Trade	10,840	10,790	10,560	0.5	2.7
Utilities	390	390	400	0.0	-2.5
Transportation & Warehousing	1,510	1,510	1,390	0.0	8.6
Information	1,100	1,090	1,100	0.9	0.0
Financial Activities	3,210	3,230	3,030	-0.6	5.9
Professional & Business Services	7,030	7,260	6,560	-3.2	7.2
Educational & Health Services	7,240	7,220	6,900	0.3	4.9
Leisure & Hospitality	9,110	9,930	8,710	-8.3	4.6
Other Services	2,250	2,290	2,250	-1.7	0.0
Government Education	5,320	4,860	5,200	9.5	2.3
Government Administration	8,700	8,830	8,570	-1.5	1.5
Government Tribes	1,270	1,320	1,200	-3.8	5.8

\* Preliminary estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

ing, founded in 1991 by John Snedden to make dental products, has expanded considerably during the last three years, as its one-dose plastic applicators are used for a growing number of medical, cosmetic, and industrial uses. Its employment has increased four-fold—from 30 in early 2002 to more than 120 today. When he received Unicep's award, John Snedden spoke about the benefits of living in a community with so many innovative entrepreneurs, including Dennis Pence of Coldwater Creek, Doug and Ed Hawkins of Litehouse, and Carl Diedrich of Diedrich Coffee Roasters. The excellence of their companies and other local companies—including Panhandle State Bank, Riley Creek Lumber, Litehouse Custom Printing, and Thorne Research—serves as a motivator, showing what can be done with vision and execution. He added, "All of us at Unicep are very privileged to have these types of role models that challenge the Unicep Packaging staff to set higher and higher goals."

- The efforts of BCEDC to recruit new business and help existing businesses expand, along with the successes of local entrepreneurs, have allowed Bonner County to create hundreds of high-paying jobs during the last three years. Since the first quarter of 2001, BCEDC clients have added 349 jobs—making up one in three of the jobs added in the county— and pay an average annual wage of \$35,600, compared to \$24,700 for all jobs in Bonner County. The county's success is especially evident when compared to the national experience. While U.S. manufacturing employment fell 16.1 percent, losing 2.7 million jobs, between the first quarter of 2001 and the first quarter of 2004, Bonner County manufacturing employment increased 21.4 percent from 1,545 to 1,876 workers.
- Schweitzer Mountain Resort, overlooking Lake Pend Oreille from a mountain near Sandpoint, enjoyed its most successful summer season ever in 2004, and expects a record winter season if the weather is cooperative. In the last three years, Schweitzer averaged about 215,000 skier visits per year. With all the national attention Schweitzer and Sandpoint have received during the last year, including an upcoming article about Schweitzer in *The Northwest Meeting & Events* trade magazine, the resort expects to host many more skiers over the next few years. Currently, Schweitzer employs 75 people year-round and more than 600 people during the ski season. Schweitzer is about half way through its 10-year master expansion plan. Since Seattle-based Harbor Resorts purchased Schweitzer in December 1999, it has spent \$25 million to develop the resort.
- Dan and Melanie Lister currently are expanding the Sears store at the Bonner Mall in Ponderay, annexing an adjacent 14,000-square-foot space formerly occupied by Home Appliance and Electronics. This will increase the store's size from 10,800- to 24,000-square feet, allowing it to expand its hardware and appliance offerings. The store soon will feature a kiosk where customers can order any Sears products they want. When the expanded store opens in January, it will become the largest dealer-owned Sears store in the nation.
- Gary Paul Linrette recently opened Wigley's Café and Bakery at 315 Church Street in Sandpoint. As well as selling a full range of breads, cakes, and other baked goods, Wigley's serves Cajun dishes, bratwurst, sushi, a variety of sandwiches, and espresso.

#### Boundary County

- Riley Creek Lumber eliminated the third shift at its Moyie Springs plant in late November, putting about 30 people out of work. A lack of suitable timber forced the layoff at the mill, which Riley Creek purchased from Louisiana-Pacific in the fall of 2003. The mill, which employed about 160 people following the layoff, remains the largest manufacturing operation in Boundary County. As soon as it announced the layoffs in mid-November, Riley Creek began working with the Bonners Ferry office of Idaho Commerce & Labor to

ease the transition for the laid-off workers. Riley Creek also began making improvements to the mill's dry kiln to allow it to process a wider variety of tree species. This will increase the mill's long-term viability.

#### Kootenai County

- The long-awaited opening of the Buck Knives plant in Post Falls draws closer. The 102-year-old, family-owned company currently is in the process of hiring 150 people, and soon will bring 50 employees from its current plant in El Cajon, California, to Post Falls. It will begin moving equipment into the \$8 million, 128,000-square-foot plant under construction at Riverbend Commerce Park in mid-December. The new hires will start learning their jobs in early January, and the first knives will roll off the production line at the beginning of March.

#### Shoshone County

- Lookout Pass Ski Area opened the weekend after Thanksgiving despite low snow levels. A few weeks later the ski area, located along Interstate 90 near the Idaho-Montana border, will unveil its expanded lodge. The \$650,000 expansion added 6,000-square feet to the original 4,600-square-foot lodge. Last winter Lookout introduced a new chairlift and five new runs, more than doubling its skier visits. Last winter, it posted 47,000 skier visits—42 percent were snowboarders. Lookout has received permission from the U.S. Forest Service, which owns the land it's located on, to expand. Next summer it will add five new runs for the next ski season, adding 100 acres of ski-able terrain. About 70 people work at Lookout during ski season.
- Silver Mountain Resort, owned by Oregon-based Eagle Crest Resorts, started its ski season the first weekend in December. Silver Mountain is famous for its gondola—the world's longest—that takes visitors 3.1 miles from Kellogg to the ski area 4,000 vertical feet up. This ski season Silver Mountain has expanded the resort's half-pipe by 300 feet and opened a shuttle from Spokane and Coeur d'Alene to Kellogg, and is lighting the terrain park for night skiing. Eagle Crest's long-term plans for Silver Mountain include the development of a gondola village, a golf course, and a water park. This spring, Eagle Crest began work on Morning Star Lodge—a new condominium and retail complex at the gondola base. Its 64 condo units sold out within the first week they were offered, generating a real estate boom in the Silver Valley. The Morning Star Lodge should be completed by the end of the ski season, which normally ends in early April. Silver Mountain, which hosts more than 85,000 skier visits a year, employs approximately 200 people during the ski season.

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